

November 4-5, 1997
Meeting Summary

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Draft
BDAC MEETING SUMMARY
NOVEMBER 4 & 5, 1997
SACRAMENTO CONVENTION CENTER

MEETING OUTCOMES

- Nine BDAC members discussed major areas of disagreement on water flow regimes which should be part of the preferred alternative and the approach for achieving water use efficiency.
- No BDAC members registered disagreement with the 1997 category III funding package. Although, several expressed dissatisfaction with the RFP process. Seven BDAC members identified gaps to be addressed in future funding cycles, including favoring use of public lands for flood control, placing more emphasis on upper watershed and north San Francisco Bay projects, and managing undesirable species.
- Twenty BDAC members participated in breakout session discussions on tradeoffs presented by the hybrid alternatives. Common themes from those discussions are listed below:
 - Assurances are a way to "share the pain" of the CALFED alternative. Assurances for all parts of the Program are needed to meet the objectives and maximize benefits to the entire Program.
 - All parties require assurances to ensure adequate water supply for their interests. The potentially acceptable mechanisms to ensure such supply vary with the perspective of the party involved.
 - BDAC members need additional information to fully discuss the implications of policy trade-offs. Desirable information would include more complete descriptions of the hybrid alternatives being formulated by the IDT, and more detailed explanation of the rankings emerging from Detailed Evaluation.

NOVEMBER 4TH

The meeting began at about 9:30 am.

1. WELCOME (Mike Madigan)

Chair Mike Madigan convened the meeting and welcomed Bay-Delta Advisory Council (BDAC) members and members of the public. He introduced new Council members Byron Buck (California Urban Water Agencies), Martha Davis (Sierra Nevada Alliance) and Tom Decker (California Chamber of Commerce). He informed those attending that public comment pertaining to an agenda item would be taken at the end of that item. Opportunities for public comment on topics not on the agenda were also included in the meeting schedule.

The chair informed BDAC that the following would be taken out of order to accommodate BDAC member schedules: Finance Work Group update and Agriculture/Urban caucus update (part of the Public Involvement agenda item).

3. CONFLICT OF INTEREST: DECLARATION OF REMOTE INTEREST OR EXEMPTION (Mary

Scoonover)

This agenda item was re-scheduled to accommodate the arrival of the presenter for Agenda Item #2.

Presentation

Mary Scoonover (CALFED Program staff) stated that BDAC members, later in the meeting, would be providing advice on proposed funding for projects for the Restoration Coordination program. Because of legal requirements with this round of funding, members were asked to individually declare if they had a conflict of interest or potential conflict of interest. Ms. Scoonover reviewed a memo in the BDAC meeting packet on determining possible conflict-of-interest and reminded members of previous explanations on this topic earlier this year.

Declaration of Conflict-of-Interest

The following BDAC members declared they would abstain from discussing the Restoration Program funding package: Mr. Buck, Roberta Borgonovo, Tom Graff and Pietro Parravano. BDAC member Bob Raab noted that he was covered by exemption in the statute. In response to a question from BDAC member Ann Notthoff, Ms. Scoonover replied that the statute employs a "reasonable person" standard to determine who must comply. Ms. Scoonover noted that members could declare once the deliberations were underway as information came to light.

2. ECOSYSTEM RESTORATION PROGRAM PLAN SCIENTIFIC REVIEW PANEL (Scott McCreary)

Presentation

Lester Snow (CALFED Program Executive Director) opened the presentation noting that as a result of public input, a Scientific Review Panel had been convened by the Program to review the Ecosystem Restoration Program Plan (ERPP). The Panel was convened during the first week in October. (A summary report of the panel's proceedings was distributed to BDAC members and members of the public on November 5th.)

Scott McCreary (Panel facilitator) reviewed the panel process which had been explained at previous BDAC meetings and described in earlier BDAC packets. He explained that eight scientists participated on the panel with expertise ranging from hydrology to botany. The panel addressed twelve questions which were developed with input from an agency steering committee and the Ecosystem Restoration Work Group. In addition to public deliberations, the panel also engaged in private discussion to facilitate forming its recommendations.

Mr. McCreary reviewed key findings and themes in the Panel's summary report. Following release of the summary report comments will be solicited from the Ecosystem Restoration Work Group at its November Meeting. These comments will be presented at the December BDAC meeting for BDAC's review, and both the summary report and comments will be submitted to the Program for its response.

Discussion Points

- Mr. Graff asked for more specific information on the Panel's response to the question on the appropriateness of the ERPP planning approach. The Panel believed that the overall approach was appropriate. Mr. McCreary and Dick Daniel (CALFED Program staff) noted that the Panel specifically discussed the methods used to set restoration targets.

- BDAC member Alex Hildebrand asked for more information on the Panel's views of managing exotic species. Mr. Daniel replied that these species limit the opportunities for restoration. The Program would plan to reduce the rate of future introduction and propose actions to address existing conflicts.
- Mr. Buck asked if the Panel recommended that the Program use biological criteria to determine the geographic scope of the ERPP. Mr. McCreary replied that the Panel strongly urged the use of conceptual cause and effect models throughout the ERPP. For example, such models would examine causal relationships between the problems manifest in the Delta and problems in watersheds above major impoundments.
- Ms. Notthoff requested clarification on how the Program will respond to the Panel's recommendations and urged that Program documents be written in a more clear and concise manner. She noted that the Panel had many comments on the need for effective communication with the general public. Mr. Daniel responded that the Program anticipates developing a work plan and budget for revising the ERPP, including using outside expertise. He added that revising the ERPP would require more time than is available before publication of the draft Environmental Impact Report/Environmental Impact Statement (EIR/EIS). He noted that stakeholders would be involved in the development of this work plan and budget. Ms. Notthoff suggested that the Program use the Ecosystem Restoration Work Group for the stakeholder input. The Chair agreed.
- BDAC member Robert Meacher expressed some skepticism of the Panel's consideration of upper watershed processes and their contribution to problems in the Delta. He added that there is more to these processes than the management of fire.

Ms. Borgonovo, Mr. Buck, BDAC member Steve Hall, and Vice Chair McPeak further discussed potential changes to the Ecosystem Restoration Program and adequate coverage of the program in the EIR/EIS. Concern was expressed that revising the program would be most desirable prior to distribution of the draft EIR/EIS. Others felt that implementation of the program would not change significantly and that the ERPP would be adequate for impact analysis. Mr. Daniel noted that none of the Panel recommendations seem to change the size and overall scope of the ERPP. Nor were there suggestions for a change in overall approach or underlying hypotheses. Mr. McCreary agreed and added that the Panel had specific suggestions on how to improve the ERPP. Staff were asked to present the proposed approach for revising the ERPP at the November Ecosystem Restoration Work Group meeting.

- Mr. Hildebrand stated that the Panel was useful. The Program also needs to discern the feasibility of ERPP actions and seems to be avoiding a reality check. He referred to his letter in the BDAC packet on this topic.

Public Comment

- Gary Bobker (The Bay Institute) made several comments regarding the Program's follow-up to the Panel's comments. He noted that while the ERPP is not fatally flawed, the issues raised by the Panel are serious. Currently, the Program does not have the time or staff resources to revise and complete the ERPP. He noted that if the conceptual framework for the ERPP is missing then the EIR/EIS will be deficient and should not be the basis for revised water management. Keeping to the schedule requires the Program to re-think what can be accomplished with the EIR/EIS. He added that as the

ERPP conceptual framework changes then changes in implementation measures will likely result. He urged the Program to bring on staff with a systems analysis background and continue using independent scientific review. He noted that the ERPP will be critical to restoration funding in the short-term and stated that there may not be another chance to properly restore the ecosystem.

The Chair, Ms. Notthoff, Vice Chair McPeak, Ms. Borgonovo, and Mr. Hildebrand engaged in discussion with Mr. Daniel regarding how the ERPP could be used in upcoming decisions. It will be challenging to have an adaptively managed program that will have the necessary specificity to guide implementation. A higher level of concurrence on ERPP indicators is needed. It is unclear how the ERPP fares when measured by the Solution Principles. Mr. Daniel responded that the ERPP will be useful for upcoming Program decisions. He stated that stakeholder and agency expertise will be used immediately to revise the ERPP, however convening the Scientific Review Panel again or using other out-of-state expertise is unlikely until the EIR/EIS is published due to the limited resources and time available. Work on improving ecosystem indicators is already occurring and he anticipated a product in January. He noted that the Solution Principles will be used to assess the entire CALFED preferred alternative. He noted that the ERPP will be incorporated into the EIR/EIS and will not be an independent document.

4. FINANCE WORK GROUP UPDATE (Eric Hasseltine)

The Chair asked BDAC member Eric Hasseltine at this time to provide BDAC with a summary of policy points on which the work group desired feedback.

Presentation

Mr. Hasseltine reported that some basic issues had not yet been resolved in the work group. One issue is allocating funding responsibility among public and private sources. One view holds that the CALFED solution is the result of public policy and therefore the public should bear the financial cost. The other view holds that it is human intervention in the Bay-Delta system that created the problems CALFED is addressing and therefore the entities who benefitted from the interventions should shoulder the cost.

The second issue is determining the extent of private participation. Should all entities who use water in the Bay-Delta system be financially involved? Could the Program create an exemption to opt out of financial involvement?

The work group is discussing a basin usage fee as a means to finance CALFED implementation. This discussion raises the question of whether or not to credit existing financial commitments to restoration and if so, what mechanism should be devised to credit those commitments.

Discussion

- Mr. Graff stated that even when money is appropriated for projects, government entities might re-direct those funds for other uses.

4. RESTORATION COORDINATION FUNDING PACKAGE (Kate Hansel)

Presentation

Kate Hansel (CALFED Program staff) reminded BDAC of the proposal review process described in the Request for Proposals (RFP). She reviewed the memo in the BDAC packet that described the allocation of funds proposed by the Integration Panel. After BDAC review the proposed package will be considered by the

CALFED Policy Group. Their recommendations would be forwarded to Secretary of Resources Wheeler in December for final decision. BDAC was asked to deliberate on whether the proposed allocation of funds was reasonable.

Discussion Points

- Mr. Hildebrand asked a number of questions regarding the proposed allocation, particularly about funds for river channel form projects along the San Joaquin River. Additionally, he inquired about proposed purchases of agricultural land. Ms. Hansel replied that approximately 15,000 acres were proposed for purchase, the majority of which would be owned by state and federal entities. Mr. Hildebrand suggested that a different management scheme be considered in which floodwater overflow would be re-directed to publicly owned undeveloped portions of the valley, facilities on those properties would be improved to withstand short-term high flow, and additional land would be purchased for existing refuges to be used for overflow. This change would minimize land acquisition, limit impact to local tax rolls and might be more cost effective. Michael Spear (substituting for Roger Patterson, Designated Federal Official to BDAC) stated that the primary purpose for the federal refuges was to maintain the Pacific Flyway for migratory birds. Handling flood overflow at the levels suggested by Mr. Hildebrand could degrade habitat and thereby counter the primary purposes of refuges. When compatible, the refuges can and do take some flood overflow. Ms. Hansel noted that Mr. Hildebrand was identifying a gap that might be used to create a directed program during the next RFP cycle in 1998.
- BDAC Member Richard Izmirian asked what portion of the proposals for channel form projects required changes in land use and would water supply be available to implement those projects. Ms. Hansel replied that most of the land is now in agricultural use adjacent to rivers. She added that the proposals emphasize relying on physical self-sustaining processes and that the data indicates that existing flows would be adequate.
- Mr. Meacher discussed with Vice Chair McPeak, Lester Snow and Ms. Hansel that future funding rounds should place more emphasis on upper watershed projects. The focus of the RFP should be broader than the current one of restoring ecosystem processes to benefit specific species. Mr. Meacher added that both BDAC and the Ecosystem Roundtable were bystanders in the project selection process and that such a role was not satisfactory.

Ms. Borgonovo and Mr. Hall commented that less attention appeared to be paid to the North Bay region. Also, entrainment, though identified as a key stressor, was proposed to be addressed by only 11% of the funds available. Additionally, it was unclear how the management of undesirable species was addressed. Regarding entrainment, Ms. Hansel stated that projects were funded, however not for the Suisun Marsh area where much had already been done. She noted that managing undesirable species is a gap and might be addressed in future funding rounds.

- Ms. Notthoff announced that as BDAC's discussion had progressed she realized that her employer may be tangentially involved with a proposal, therefore she would withdraw from further discussion on the agenda item.
- BDAC member Stu Pyle commented that the program must clarify the nexus between short-term funding and long-term restoration programs. He questioned the amount of funds proposed for

floodplain projects. It was unclear what steps were being taken to address gaps in the proposals and integration with the rest of the CALFED Program. Ms. Hansel replied that part of the next funding cycle would likely include directed programs to address gaps identified by the Integration Panel, the Ecosystem Roundtable and BDAC.

Mr. Pyle and Mr. Hildebrand commented that the RFP process was quite unsatisfactory. Too much information was confidential, BDAC's role was too indirect, and the lack of information about the proposals placed BDAC in a position to not endorse the funding package. Future Requests for Proposals would need significant improvement.

5. OVERVIEW OF THE CALFED PROGRAM (Lester Snow)

Presentation

Following lunch, Lester Snow gave an overview of the CALFED Program from its origination to the present. The purpose of this agenda item was two-fold. One, to provide background for the next item on emerging policy trade-offs. The other purpose was to review areas of agreement and to discern those topics on which concurrence on policy has not been reached. BDAC was asked to respond to two questions: how can the Common Program be strengthened to encourage broad stakeholder support, and what additional information is needed for the Common Program?

Lester Snow then reviewed the basic elements and remaining issues with the Common Program. Both the elements and issues had been discussed at previous BDAC meetings.

Discussion Points

Mr. Raab, Ms. Davis, Vice Chair McPeak, Ms. Borgonovo and Mr. Hildebrand discussed the basis for determining water flows and different flow regimes being considered by the CALFED Program. Flow regimes that are consistent with other programs such as Central Valley Project Improvement Act (CVPIA) are desirable assumptions. Addressing possible uncertainty of flows for ERPP purposes is also desirable. Some argue that a water budget is a valuable, yet undeveloped piece of information. An unanswered question is the volume of outflow from the Delta needed for the Bay. Also, it is not clear how the Program will handle future water demands while maintaining outflow from the Delta for ecosystem needs. Increase in the water yield from storage facilities might meet those increased demands.

Lester Snow, Steve Yaeger (CALFED Program staff) and Dick Daniel responded. The overall approach is to maintain annual peak flows in the rivers, store water during wet periods and release water from storage during drier periods. This would probably result in higher flows in dry periods and somewhat lower flows than at present during wet periods. Assumptions regarding CVPIA environmental water flows have been included in CALFED modeling, and will be checked against the recent draft proposal for the U.S. Department of the Interior's policy on that water. Additionally, the ERPP undertakes activities such as installing fish screens that address many of the same problems the CVPIA addresses with increased water flows. There is no firm scientific consensus as to what exact flow regime is necessary to maintain brackish water conditions in the appropriate locations at the correct times. However, the Program is certain that restoring ecosystem processes such as flow are part of the solution.

Mr. Buck, Ms. Borgonovo, and Mr. Hall discussed the proposed approach for Water Use Efficiency. A memo summarizing the current proposal for the Water Use Efficiency program was distributed at the BDAC

meeting. It was noted that the urban water agencies and the Environmental Water Caucus had discussed whether or not to propose the use of water-based sanctions on water suppliers who do not implement best management practices for water conservation. No agreement on a proposal has been reached, nor is one likely. Additionally, water agencies not involved in the discussion are not supportive of sanctions. Many agencies are willing to accept only the existing CALFED proposal. A view expressed was that the general public is interested in adopting water conservation and that during the recent drought a drop in usage of 500,000 acre-feet occurred. On the other hand, survey results indicate that there is a lack of willingness to invest money or to change behavior to achieve water conservation. Lester Snow reminded BDAC of the main components of the Water Use Efficiency program as outlined in the memo.

BDAC member David Guy, Mr. Hildebrand and Vice Chair McPeak discussed the potential for conversion of land out of agricultural use. This raises the concern that one of the Solution Principles, re-directed impacts, would be violated. A willing seller approach is desirable and in cases such as land with high levels of selenium or land to be used for new water supply facilities, conversion is acceptable. However, for habitat restoration or for setback levees, land conversion is less acceptable, in part because when one owner sells pressure is placed on others to sell to complete the project.

It was asked how the impacts of land retirement on communities would be addressed. Lester Snow stated that impact analysis, so far, shows land conversion occurring as an indirect impact of water use efficiency, but that is not a policy decision of the Program. Additionally, the water quality program targets some land for retirement to achieve water quality objectives. He added that projects would be mitigated on a project-specific basis. He noted that if the standard for meeting the Solution Principles is absolutely no re-directed impacts then a solution is not possible. Rick Woodard (CALFED Program staff) briefly reviewed the types of actions and commitments proposed in the Water Quality program component which were summarized in the BDAC packet.

Public Comment

- Ronnie Cohen (Natural Resources Defense Council) opened her comments noting that the public desires a strong Water Use Efficiency program. Public support for a CALFED solution lacking a strong program will be low. She noted that a higher standard for water conservation exists for urban users than for agricultural users. She suggested that water savings above those in the memo could be attained. She encouraged the Program to have available a suite of tools to use with both wholesale and retail water districts, including sanctions. She added that sanctions would not be used first, rather they would take effect only after repeated violations occur.
- Randy Williams (San Diego County Water Authority) reviewed the Authority's successes in water conservation and in securing non-Delta water supplies. He added that San Diego will need increased drinking water from the Delta due to anticipated population increases by the year 2015. The CALFED solution should have the following attributes: a reliable water supply, improved water quality, ecosystem restoration and cost-effectiveness. Mr. Raab asked if an annual per capita user fee was being considered. Mr. Williams replied affirmatively and added that a survey showed willingness of water customers to pay. In response to questions from Vice Chair McPeak he stated that the Authority does have a monitoring program and landscape conservation policies. Mr. Dunning asked for clarification about the need for new deliveries. Mr. Williams replied that a 28% increase in population is projected for 2015.

- Robin Reynolds (California Department of Food & Agriculture) stated that agricultural land and agricultural water supplies are part of the existing environment for impact analysis purposes. He noted that mitigation for impacts to those elements would have to be part of impact analysis.
- Steve Ottomoeller (Westlands Water District) agreed that the present Water Use Efficiency proposal was appropriate. He noted that using water efficiently does not automatically result in demand management and that it would be possible to see an increase in overall volume of water used despite very efficient management. He added that only by taking land out of production would demand be reduced. The estimate of 150,000 acre-feet potential savings from water use efficiency may be overstated. He noted that in areas importing water, agricultural practices are already very efficient. He added that incentives are more effective from the farmer's viewpoint.

6. PUBLIC COMMENT

At this time the Chair asked if there were any comments from members of the public not related to items on the agenda. No comments were registered.

7. DISTINGUISHING CHARACTERISTICS ANALYSIS & EMERGING POLICY TRADE-OFFS (Steve Yaeger & Rick Woodard)

Presentation

Mr. Yaeger reminded BDAC of the two-step process being used to narrow the range of alternatives towards a preferred alternative. He noted that the Program is moving towards hybrid alternatives that combine characteristics of alternative variations previously presented to BDAC. Mr. Daniel, Mr. Woodard and Mark Cowin (CALFED Program staff) then presented material on the distinguishing characteristics that show the most significant differences in performance between each of the three alternatives. These characteristics and most of the supporting material were included in the BDAC packet. A change from the material in the packet was that the characteristic of In-Delta Water Quality was now considered to be among those showing significant differences between alternatives.

Discussion Points

- Mr. Buck and Mr. Hildebrand inquired whether modeling assumptions for Delta circulation patterns in Alternative 3 would address reductions in San Joaquin River drainage. Mr. Woodard replied that the Program intends to take these reductions into account. He added that while salt loadings in San Joaquin River water may or may not be different from the present, when river water is diluted in the Delta the salt concentrations will drop. Mr. Cowin added that modeling is based on meeting the water quality salinity standard at Vernalis.
- Mr. Hildebrand commented that it appeared that an isolated conveyance facility would likely degrade water quality in the southeast Delta. Mr. Woodard replied that may be accurate and that the Interagency Development Team is attempting to find ways to address this problem.
- Mr. Spear commented that it was difficult to discern the significance of information on water quality because of the large amount of data. Mr. Woodard responded that the water quality of the Delta is very complex and that different stakeholders view the information differently.
- Ms. Borgonovo inquired whether urban water agencies are in agreement with the standard for

bromides being used by the Program. Mr. Buck replied affirmatively.

- Ms. Borgonovo asked if it was possible to irrigate without returning agricultural runoff to the system. Mr. Hildebrand replied negatively. This is due to the need to leach salts out of the soil and the lack of a valley waste water drain.
- Mr. Hildebrand stated that from the information provided it was difficult to determine who would give up water in order to increase export opportunities. Lester Snow replied that this would happen mostly in wetter years and that outflow to the Delta would be lowered.

Ms. Borgonovo, Vice Chair McPeak, and Mr. Buck discussed the possibility and implications of changing operational standards if Alternative 3 were selected. It was unclear what impact changing standards might have on the estuarine environment. Policy debates focus on competing seasonal water needs between aquatic resources and water users, demand for additional water exports from the Delta, and an acceptable inflow/export ratio with an isolated conveyance facility in place. Another view is that existing river channels could be modified to improve the ability to deliver water when needed (alternative 2). Lester Snow noted that when the Accord standards were adopted they were based on the present configuration of the water conveyance system. If the configuration changes then those standards may be modified. Mr. Cowin added that the inflow/export ratio that would likely change. Mr. Daniel explained that the Bay-Delta Accord addressed habitat issues with the X2 outflow standard and fish entrainment at the export pumps with the inflow/export ratio. He stated that with improved fish screens and an isolated conveyance facility, it would be less necessary to rely on flow to avoid entrainment, thus the ratio could change. Mr. Yaeger noted that Alternative 3 is a dual conveyance system using both an isolated facility and through-Delta transport. It would include upstream storage to address the concern about timing.

- Mr. Raab asked for substantiation about the assumption that diverting water off-stream of the Sacramento River during peak flows would not have deleterious effects on the estuary or the Bay. Mr. Yaeger replied that effects on San Pablo Bay and South San Francisco Bay would be part of impact analysis.

The meeting adjourned at 5 PM and reconvened for evening discussions.

NOVEMBER 4TH - EVENING

Discussion with Senator Jim Costa

During the first part of the evening program, state Senator Jim Costa delivered prepared remarks and took questions from BDAC members. The senator expressed appreciation for the work of BDAC members and encouraged all associated with the CALFED program to prepare for a challenging year as the EIR/EIS is published and decisions about selecting the preferred alternative are made. Funding the solution requires the participation of every taxpayer in the state, not only those who use Bay-Delta water supplies.

The senator shared his views on four aspects of the CALFED program. Plumbing fixes in the Delta are necessary to achieve both ecosystem restoration and water supply reliability. Some agricultural land will be retired from production by 2025 because of increased costs of water, the need to reduce drainage toxicity, and projected population increase in the San Joaquin Valley of an additional 7 million people. Water transfers will be important to solving the Bay-Delta problem, but will not be the only element of the solution. The senator noted upcoming legislation to expedite short-term transfers, and the emergence of a futures market in

water.

The senator also shared his views on the 1998 legislative session. He urged aggressive education of legislators, many of whom are unfamiliar with the history and content of California water policy. Upcoming legislative proposals to track include a bill to re-structure the Metropolitan Water District of Southern California, a bill to prevent windfall profits on the sale of water, and consideration of de-regulation of the water supply industry similar to the de-regulation of the electrical utility industry.

Discussion with Marc Reisner

Author Marc Reisner gave brief prepared remarks and was asked by BDAC members to comment on several topics. In his remarks Mr. Reisner suggested that if farmers are willing to protect agricultural land from conversion to other uses, they should be given a choice between enhanced water supply reliability or cost abatement. He noted that the objective of the assignment he completed for the American Farmland Trust was to determine a cost incentive to protect agricultural land. He suggested that while agricultural land retirement is likely, it would not be wise to rely on this as a method to procure water for environmental purposes.

In response to questions, Mr. Reisner had several comments. He agreed that agricultural conservation easements need further study and perhaps the concept of revocable easements for transfers of land between family members should be considered. With respect to a free market for water transfers, he suggested that an overarching theme could be "liberty within limits", that is that profits from sales would be acceptable if government subsidized water was not involved. He noted that the current hot topic is a futures market. He suggested that some privatization might be useful, however, water supply and infrastructure is part of the social fabric and thus full de-regulation would be inappropriate. On the topic of basin planning for flood management purposes, Mr. Reisner stated that a key problem to solve is determining incentives to keep people out of floodways and encourage the establishment of setback levees.

NOVEMBER 5TH

The BDAC meeting reconvened at 8:30 AM.

1. DISTINGUISHING CHARACTERISTICS ANALYSIS & EMERGING POLICY TRADE-OFFS, CONTINUED

Presentation

Mr. Woodard began a presentation on the refinement of the twelve alternatives and development of the hybrid alternatives. He described the Interagency Development Team (IDT), mentioned in the BDAC packet, which is responsible for developing these alternatives. He noted that the results of the detailed evaluation were used to develop the hybrid alternatives. In December, refined hybrid alternatives would be presented to BDAC for its advice. Later in December, the CALFED Policy Group will select a draft Preferred Alternative from those hybrid alternatives.

Mr. Woodard continued by summarizing the considerations and issues the IDT is focusing on while developing the hybrid alternatives. The primary issues include the need to consider all components of the Common Program, appropriate fish screening, facility capacities and the likely need for new standards and operating criteria, if the configuration in the Delta is changed. The IDT is also taking into account storage considerations. Mr. Woodard described the contrasting characteristics for water delivery of ground versus surface storage.

Discussion Points

Mr. Spear, Ms. Davis, Mr. Pyle, and Vice Chair McPeak discussed storage considerations. It was noted that ground and surface storage options have negative consequences. Several factors need to be considered when estimating storage capacity needs. These include the outcomes from water use efficiency, capacity for water transfers, economic efficiency, and better understanding of groundwater management including recharge rates, extraction rates and types of conveyance associated with such storage. Mr. Yaeger responded that data on these topics is being compiled into a comprehensive water management study.

Mr. Buck and Ms. Notthoff talked about demand estimates. So far, the Program may generate only 1 million acre-feet of additional water, an amount that won't meet projected future demands. On the other hand it may be premature to discuss met and unmet demand as there is a lack of information. This is also true for policy trade-offs.

- Ms. Borgonovo commented that all assumptions being used by the IDT should be available to BDAC. She asked whether impact mitigation for storage facilities would be in addition to restoration efforts in the ERPP. Mr. Yaeger replied that the analysis was not that specific yet, but likely additional funds would be required for mitigation.
- Mr. Meacher commented that storage above and below the dams be optimized for all stakeholders. Benefits of storage to Northern California should be explicit. Vice Chair McPeak agreed that these issues need to be addressed.

Presentation Continued

Mr. Woodard presented additional storage considerations. Each alternative needs to function effectively, the benefits of storage must be shared by all parts of the CALFED Program, immediate access to flows will be provided by in or near-Delta storage, and storage yields are lower for off-stream locations south of the Delta, than for in or near-Delta storage.

Discussion

- Mr. Buck commented that it would be difficult to deliver water from in-Delta storage. Mr. Woodard replied that problems with in-Delta storage include the inundation of agricultural lands, the quality of drinking water and the small volume that would be available. He added that the operational aspects are similar to those for near-Delta storage.

Presentation Continued

Mr. Woodard presented descriptions to date of the hybrid alternatives. Alternative 1 is based on variation 1C discussed at earlier BDAC meetings. Features include: an intertie for the State Water Project and the Central Valley Project at Clifton Court Forebay, a 15,000 cfs intake, a fish barrier at the head of Old River, operable South Delta barriers, surface storage north and south of the Delta and groundwater storage north and south as well. Considerations with this alternative are fish entrainment effects, the ability to shift pumping during export periods, the continuation of fish salvage and trucking, and little significant water quality improvement over the present configuration.

Alternative 2 is based on variation 2B discussed at earlier BDAC meetings. Added to the features of Alternative 1 are a screened intake of 10,000 cfs in the North Delta, a constructed channel linking the

Sacramento and Mokelumne Rivers, levee setbacks along the North Fork of the Mokelumne, and a screened intake at Clifton Court Forebay.

Discussion Points

- Mr. Hasseltine had two questions. Would storage credit be given for increased conveyance capacity on the McCormack-Williamson Tract? How is the possible enlargement of Pardee Reservoir being considered? Mr. Woodard and Mr. Yaeger replied that a storage credit would not be given as this modification addresses flood control concerns. As for the question about Pardee Reservoir, follow-up would be necessary.

Mr. Hildebrand and Mr. Buck discussed the possible use of flow constrictors thereby optimizing enlarged channels for both water conveyance and habitat restoration. The cost of implementing this idea should be compared to the cost for an isolated conveyance facility. Mr. Daniel said that such a proposal would have to meet a cost/benefit test. The challenge of using channels for conveyance and for habitat would be great due to existing conditions and the behavior of Delta smelt.

Presentation Continued

Mr. Woodard noted that Alternative 2 would have to address upstream migration problems in Georgiana Slough.

Discussion

Mr. Izmirian and Vice Chair McPeak asked for clarification regarding operating criteria and standards in relation to fish considerations. Mr. Daniel replied that comparisons for all alternatives are made relative to existing conditions. He stated that an isolated conveyance facility in general appears to provide more fisheries protection than the other alternatives because it reduces entrainment and circulation problems. As for Alternative 2, it's not clear whether fish-related problems would be exacerbated. He noted that operations are the key to addressing these problems. Mr. Daniel confirmed that generally less export pumping is better for fish.

Presentation Continued

Mr. Woodard then described the hybrid for Alternative 3, which is primarily based on variation 3B. Features would include: an isolated conveyance facility, two new intakes - one at Hood and one at Freeport, diversion from the conveyance facility to supply Delta agriculture, and the features mentioned previously for Alternatives 1 and 2. Considerations for this alternative include: avoiding South Delta pumping, addressing possible increases in salinity while reducing fish entrainment, and developing operations criteria at the points of diversion to the conveyance facility.

Discussion Points

- Mr. Hildebrand commented that while the idea of diversion to South Delta agriculture was desirable the proposed method was not feasible. He noted that water quality degradation would occur. He suggested that the Program consider other methods for delivering this water.

Instructions for Break-Out Discussion Groups

Lester Snow noted that the emerging policy trade-offs revolve primarily around issues related to facilities. BDAC members were asked to discuss the following example trade-offs in the break-out groups:

- Diversion effects on fisheries vs. Assurances
- Export water quality vs. In-delta water supply opportunities
- Water supply opportunities vs. Total cost
- Operational flexibility vs. Total cost
- Operational flexibility vs. Assurances
- Consistency with Solution Principles vs. Total cost
- Risk to export water supplies vs. Assurances

Discussion Points

- Ms Notthoff commented that it was premature to have a discussion on environmental impacts prior to the release of the EIR/EIS. Lester Snow replied that some trade-offs are not dependent on impact analysis.
- Mr. Meacher asked what timeframe should be considered. Lester Snow replied that modeling is going to the year 2020 and that durability beyond that timeframe is also a consideration.

2. REPORTS FROM BREAK-OUT GROUPS (Eugenia Laychak, Paul Schwarz, Mary Selkirk) Eugenia Laychak, Paul Schwarz and Mary Selkirk (Facilitators) reported on discussions which occurred in the break-out groups. Common themes among the three groups were:

- Assurances are a way to "share the pain" of the CALFED alternative. Assurances for all parts of the Program are needed to meet the objectives and maximize benefits to the entire Program.
- All parties require assurances to ensure adequate water supply for their interests. The potentially acceptable mechanisms to ensure such supply vary with the perspective of the party involved.
- BDAC members need additional information to fully discuss the implications of policy trade-offs. Desirable information would include more complete descriptions of the hybrid alternatives being formulated by the IDT, and more detailed explanation of the rankings emerging from Detailed Evaluation.

The following themes emerged in two of the three groups:

- The CALFED alternative must balance meeting the interests of involved parties, providing adequate funding, and instituting adequate assurances.
- The capacity and other features of physical facilities must be addressed. The means by which they are addressed may be through assurances, through physical limitations or a combination of both.
- Protecting water quality should be achieved by cost-effective means and may take precedence over increasing the available water supply.

Attachment A provides the individual summaries from each of the break-out groups.

3. CVPIA B(2) (Michael Spear, Patrick Wright)

Presentation

Mr. Spear summarized the final draft administrative proposal addressing CVPIA environmental water. The proposal was distributed to BDAC members and the public in attendance. He stated that a final decision would be issued by the Department of Interior on November 20, 1997. The proposal combines measures to address fisheries concerns and measures to deal with the impacts to water suppliers. The proposal is to be implemented over a five year period starting in 1998. The net effects of the proposal favor fisheries needs over water supplier needs.

Mr. Wright summarized water supply enhancement measures in the "toolbox" to mitigate impacts to water suppliers and then listed remaining stakeholders concerns with the proposal. There is no explicit accounting of 800,000 acre-feet of water for environmental purposes. There is a need to determine high priority water purchases. There is a need for creation of a cost-share agreement. Specification of how the joint diversion operations would work is necessary. Distinctions need to be made between actions that provide direct benefits to fisheries and water supply mitigation measures. A method to address increased impacts during certain water years should be developed.

Discussion Points

- Mr. Graff stated that there are many positive aspects to the proposal, particularly that there are measures to protect fisheries, that it rejects the Governor's position regarding water allocations under the Bay-Delta Accord, and that the baseline for modeling is appropriate. He stated that combining coordinating project reoperation actions with water acquisitions and reallocation of water to the environment will complicate tracking of the effectiveness of the implementation measures. He then commented that it appeared that the toolbox was an attempt to make water users on the westside of the San Joaquin Valley whole. He distributed two tables of data on water deliveries to the Westlands Water District to BDAC members. He questioned the appropriateness of mitigating the impacts of the proposal on water users given that water supplies may be more than adequate. Mr. Dunning queried if the Department of Interior thought the water supply mitigation measures were mandated in the CVPIA. Mr. Wright stated that the law does not require mitigation, however the proposal is designed to be consistent with CALFED. Mr. Brent Walthall with the Bureau of Reclamation added that the Bureau is looking at water delivery data to determine consistency between the Bureau and Westlands Water District data. The Chair asked that this information be reported at the December BDAC meeting.
- BDAC member Rosemary Kamei stated that the stakeholder process should continue and agreed that linkage to CALFED is important. She added that there was ongoing concern regarding annual impacts.
- Mr. Raab called for a balance sheet to track water supply and usage in California and suggested that the California Water Commission take up this request.

Mr. Pyle, Mr. Dunning, Ms. Borgonovo and Ms. Notthoff discussed issues of fairness and relevance of CVPIA implementation to the CALFED Program. The relevance of Westlands water deliveries was questioned. Implementation of CVPIA has implications for the effectiveness of CALFED implementation. Using the CVPIA restoration fund to make water suppliers whole was also questioned. It may be that some interests would benefit more than others from the proposal.

- Vice Chair McPeak asked that the topic of CVPIA water management relative to CALFED be placed on the December agenda. Additional issues to discuss are the implications to the ERPP and the use of restoration funds. Lester Snow replied that the topic would be placed on the agenda. In the meantime the Program is preparing a master funding matrix to match funding sources to appropriate types of projects.
- Mr. Spear commented that in some ways it doesn't make sense to separate CVPIA from CALFED and it has been difficult to do so. The administrative proposal was drafted with the Bay-Delta process in mind.
- Mr. Hall agreed that there are ongoing concerns, particularly with ensuring fisheries benefit from mitigation measures linked to water supply enhancement actions. However, the proposal is good and his constituents are willing to stay engaged. He questioned what, if anything, BDAC could contribute to the CVPIA discussion.

Public Comment

- David Orth (Westlands Water District) stated that it is important to assure that a specified amount of water, no more, is allocated to the environment. He added that Westlands had successfully accessed the water transfers market, which resulted in the supplemental supplies depicted in the tables. He noted that during drought years deliveries are less than shown on the tables; groundwater overdraft occurs and land is fallowed. He further added that water patterns change, but generally no less water is used.
- Jason Peltier (Central Valley Project Water Association) listed concerns with regard to the proposal. The fish measures appear to add up to more water than required in the CVPIA, measures to account for water are necessary, a more phased approach to implementation is needed as are assurances, and it appears that there are no explicit water supply benefits.

4. HABITAT CONSERVATION PLAN UPDATE (Sharon Gross)

Presentation

Sharon Gross (CALFED Program staff) listed the concerns raised during the scoping meetings for a Habitat Conservation Plan (HCP) concept. These concerns are: the complexity of CALFED, timing, a policy of "no surprises" at the programmatic level, need for assurances for federal water contractors, certainty versus adaptive management, long-term funding and monitoring, on-going need for public input, need to ensure recovery of species, and the shelf-life of a "no surprises" policy. The next step is to develop a strategy for Program compliance with the Endangered Species Act. This will be discussed with the CALFED Policy Group in November and will be presented to BDAC at its December meeting.

Discussion Points

- Mr. Spear noted that an HCP is essential for providing reliable water supply to water users and that the contents of a programmatic HCP can be negotiated. He added that without firm assurances of reliable water, money for CALFED implementation would not be forthcoming. Another consequence of not formulating an HCP is that the U.S. Fish & Wildlife Service (USFWS) would then be responsible for implementing other parts of the Endangered Species Act in order to protect listed species.

Ms. Notthoff, Mr. Dunning, Mr. Buck and Mr. Spear continued discussing the topic. An HCP is an implementation tool, yet it is being discussed during the planning process. All assurances, including an HCP, need to move forward together. The way in which the idea of an HCP arose calls into question the role of BDAC work groups. Any work on an HCP should be integrated with the Assurances Work Group effort. It is not clear if a take permit based on a programmatic HCP will be considered or issued. Having a programmatic HCP would enable all stakeholders to try to avoid future listings of species.

Public Comment

- Mr. Bobker spoke on two issues - the "no surprises" policy and the timing for issuing take permits. He commented that a "no surprises" policy was inappropriate for a program of the complexity of CALFED. He preferred the approach being recommended by the Assurances Work Group which he characterized as a "shock absorber." Since the CALFED Program is not at the project stage it is inappropriate to issue a take permit. Mr. Hall agreed that the issues raised by Mr. Bobker are central. He suggested that the USFWS set up a stakeholder group to address them. Ms. Borgonovo agreed they should be addressed and suggested using the existing Assurances and Ecosystem Restoration Work Groups as vehicles for discussion.
- John Mills (Regional Council of Rural Counties) cautioned that an HCP could not address measures for federal contractors. He added that federal permittees and license-holders in upper watersheds should be included in an HCP. He also cautioned that while flexibility is desirable, closure is also necessary.
- Ed Petry (Mendota) commented that many of the water supply problems experienced in the Mendota area can be addressed by land retirement. He noted that underground aquifers could be used to store water.
- Marla Miller (West Sacramento) stated that CALFED was using incorrect information about Yolo County. She added that an HCP should not substitute for water effluent pre-treatment. She urged that the CALFED planning process be slowed down.
- Dennis Fox (citizen) inquired about costs associated with land retirement. Has a cost/benefit analysis been conducted? When land is retired, how much water is associated with that land? Counties may be losing revenues and this should be quantified. What are the ongoing costs for ecosystem restoration? Mr. Spear responded that land retirement in general does not result in additional water for other purposes.

5. FINANCE POLICY DISCUSSION (Zach McReynolds)

This item was postponed.

6. PUBLIC OUTREACH I - AGRICULTURE & URBAN NEGOTIATIONS UPDATE (Byron Buck, Steve Hall)

Presentation

Re-convening after lunch, Mr. Buck was asked by the Chair to report on the Agriculture/Urban discussions. Mr. Buck stated that discussions are continuing. The technical staff are analyzing an additional option for an isolated conveyance facility of 3,000 cfs. He added that they are looking at the work of the Assurances Work

Group and are actively participating in the Finance Work Group.

Discussion Points

- Mr. Hildebrand expressed interest in having the technical analyses distributed to BDAC, and urged the Agriculture/Urban group to analyze potential water quality degradation and water delivery to Delta users.
- Mr. Raab asked how the East Bay Municipal Utility District's proposal to divert American River water was being addressed. Mr. Buck replied that it was not a focus, but like other water supply agreements and proposals it is being tracked. Mr. Raab then asked if CALFED was retaining the concept of the Delta Common Pool. Mr. Daniel replied it was not an assumption; substituting for it is the Solution Principle of no significant re-directed impacts which aims to prevent degradation.
- Mr. Hildebrand asked if the Agriculture/Urban group was examining other aspects of CALFED including considering the possibility of on-stream storage and the possibility of raising dams. Mr. Buck responded that the group reviewed and submitted comments on the ERPP and anticipates submitting comments on the Water Quality program. It will not be submitting comments on Water Use Efficiency and is following the levees program from a distance. He added that on-stream storage has interesting benefits, but is very expensive.

7. WATER QUALITY UPDATE (Rick Woodard)

This item was incorporated into earlier discussions on the CALFED Program overview.

8. WATER USE EFFICIENCY UPDATE (Rick Soehren)

This item was incorporated into earlier discussions on the CALFED Program overview.

9. PUBLIC OUTREACH II - PUBLIC OUTREACH UPDATE & BDAC INVOLVEMENT (Kim Canevari)

Presentation

Kim Canevari (CALFED Program staff) described the current public outreach efforts. The Program now has numerous fact sheets and is publishing them in various languages. Two newsletters are being published, one on the overall Program and the other focusing on ecosystem restoration. The program now has a toll-free telephone line with a recorded message. As for the series of public meetings occurring this fall, she noted that the format was working, attendance was high, and that local stations were airing public service announcements about the meetings. In the near future the Program is preparing to undertake a series of editorial board meetings throughout the state.

Ms. Canevari suggested that BDAC members could assist by attending or hosting a community meeting, doing a speaking engagement, being available for interviews, and distributing the factsheets.

Discussion

Mr. Buck praised the current outreach efforts. Mr. Pyle offered to schedule a meeting with the Kern County Board of Supervisors. Ms. Notthoff added that the Environmental Water Caucus is willing to distribute information. She applauded efforts to reach new audiences and suggested the Program refer to a document from the Pacific Institute on outreach to minority communities.

10. DECEMBER & JANUARY AGENDAS (Mary Selkirk)

Presentation

Ms. Selkirk reviewed possible agenda items for the December 12th meeting. These include discussion on a draft Preferred Alternative, discussion of the Scientific Review Panel's report on the ERPP and the CALFED workplan to address the Panel's comments, response by the Bureau of Reclamation on water supply to Westlands Water District, and integration of the CVPIA environmental water proposal with CALFED.

Discussion Points

- Mr. Hildebrand expressed discomfort with reviewing a draft Preferred Alternative prior to commenting on the three hybrid alternatives. Mr. Daniel suggested that discussing the hybrid alternatives could be an agenda item.
- Ms. Notthoff asked that further discussion on the HCP be included into the Scientific Review Panel agenda item.
- Both Mr. Dunning and Ms. Notthoff suggested more realistic times for agenda items.

Ms. Selkirk asked for comment on the use of break-out groups. Ms. Notthoff and Mr. Pyle thought it was useful. Mr. Buck agreed, but stipulated that they are most useful for discrete topics.

Presentation Continued

Staff suggested that the first meeting in 1998 be held after the draft EIR/EIS is published, perhaps sometime in February. It would be a two-day meeting in southern California.

Discussion

Concern was expressed by Mr. Hildebrand and Ms. Notthoff that the proposed timing would preclude BDAC from commenting on the Preferred Alternative prior to publication. Mr. Buck pointed out that the CALFED Policy Group was likely to make its selection before BDAC could meet again. The Chair stated that members should tentatively plan for a January meeting and that this would be brought up with Lester Snow soon.

11. PUBLIC COMMENT

There was no general public comment.

The meeting was adjourned at 3 PM.